

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR KENT COUNTY

ESTATE OF THELMA J. MARR, and *
ELLIS D. MARR, AS ADMINISTRATOR *
OF THE ESTATE OF THELMA J. MARR *
and INDIVIDUALLY, *

PLAINTIFFS, *

v. *

STONEBRIDGE LIFE INSURANCE *
COMPANY, a foreign corporation, *
DEFENDANT. *

C.A. No.: 05C-03-067 JTV

NON-ARBITRATION CASE

COMPLAINT
FOR DECLARATORY JUDGMENT
IN ACCORDANCE WITH
10 DEL. C. § 6501 et. seq.

COMPLAINT FOR DECLARATORY JUDGMENT

1. This is an action for declaratory judgment, pursuant to 10 Del. C. § 6501 et. seq., for the purpose of determining an actual controversy between the parties, as hereinafter more fully appears.

2. The Defendant Stonebridge Life Insurance ("Stonebridge") is a foreign insurance company authorized to do business in Delaware. Pursuant to 18 Del. C. §§ 524, 525, its registered agent is Matt Denn, Insurance Commissioner, 841 Silver Lake Blvd., Dover, DE 19904.

3. Thelma J. Marr ("Decedent") and Plaintiff Ellis D. Marr ("Marr") had three insurance policies with Stonebridge; certificate number 74AD289024 ("Accident Insurance") in the amount of fifty thousand dollars (\$50,000.00); certificate number 74ABOU5247 ("Hospital Insurance") in the amount of seventy thousand dollars (\$70,000.00); and certificate number 84AB1M7484 ("Medicial Insurance"). The Medical Insurance policy does not contain any death benefits and is not relevant to this case. A copy of the Accident Insurance policy is attached hereto as Exhibit "A," and incorporated herein by reference. A copy of the Hospital Insurance

policy is attached herein as Exhibit "B," and incorporated by reference.

4. On the evening of July 2, 2002, the Decedent was walking southbound on the northbound shoulder of State Street Extended near Moores Lake development when she was struck by a car driven by Diana E. Patterson. The Decedent was pronounced dead at Kent General Hospital shortly after the crash.

5. Marr applied for death benefits under the Accident Insurance policy and the Hospital Insurance policy. His request for death benefits under the policies was denied based on Stonebridge's intoxication exclusion clause.

6. Per the endorsements on the applicable insurance policies, both intoxication exclusions read "No benefit shall be paid for loss or injury that is sustained or contracted in consequence of the Covered Person being intoxicated." See Exhibits A and B.

7. Plaintiffs contend that the loss was not "sustained or contracted in consequence of" the Decedent being intoxicated.

8. An actual controversy exists between the parties to this action, who have antagonistic claims, as to whether Plaintiffs are entitled to collect under the Umbrella Policy.

9. A declaration by this Court as to the rights, status, and duties of the parties with respect to the Life Insurance Policy would terminate the controversy and would remove the presently existing uncertainty as to the rights of the parties.

WHEREFORE, Plaintiffs pray that the Court will construe the insurance contract and declare the rights of the parties in accordance with 10 Del. C. § 6502 and grant such supplementary relief as the Court deems appropriate.

SCHMITTINGER & RODRIGUEZ, P.A.

BY: 

NICHOLAS H. RODRIGUEZ

Bar Id. # 356

414 South State Street

P.O. Box 497

Dover, Delaware 19901

(302) 674-0140

Attorneys for Plaintiffs

DATED: 3-30-05

BY: 

P. Kristen Bennett

Bar Id. # 4520

414 South State Street

P.O. Box 497

Dover, Delaware 19901

(302) 674-0140

Attorneys for Plaintiffs

DATED: 3-30-05

Stonebridge Life Insurance Company

A STOCK COMPANY

Home Office: Rutland, Vermont

Administrative Office: 2700 West Plano Parkway
Plano, Texas 75075

CERTIFICATE OF INSURANCE

READ YOUR CERTIFICATE CAREFULLY

Person(s) insured and Schedule of Insurance are shown on the Schedule Page. Place the Schedule Page with your Certificate for safekeeping.


Stonebridge Life Insurance Company (herein called "we," "us" or "our") has issued Policy No. 25169 to J. C. PENNEY CORPORATION, INC. (the J. C. Penney Credit Cardholders Group) (herein called "Policyholder") which makes available accidental death and dismemberment insurance for eligible persons.

We agree to pay the benefits herein provided with respect to the person(s) insured hereunder, subject to all terms of the Policy.

RIGHT TO EXAMINE CERTIFICATE

If you are not satisfied with this insurance, you may void it by returning this Certificate within 90 days after you receive it to our Administrative Office. You will receive a full refund of any premium paid.

This Certificate supersedes any Certificate previously issued to you under the Policy. You and any Covered Person may qualify under one Certificate only. If any person is insured under more than one Certificate, we will consider that person to be insured under the Certificate which provides the greatest amount of coverage. Upon discovery of the duplication, we will refund any duplicated payments which may have been made on behalf of that person. The records maintained by the Policyholder shall determine the insurance provided under the Policy for any insured. Important provisions of the Policy are outlined below.



Secretary



President

INSURED:

CERTIFICATE NUMBER: 74AD289024

ELLIS DEWAYNE MARR
1270 SOUNDNECK RD
ELIZABETH CITY NC 27909

This Certificate of Insurance provides all of the benefits mandated by the North Carolina Insurance Code, but it is issued under a group master Policy located in another state and may be governed by that state's law.

GROUP ACCIDENT-INSURANCE

STONEBRIDGE LIFE INSURANCE COMPANY

SCHEDULE PAGE

This Schedule Page is part of your certificate. It supersedes any Schedule Page issued under Master Policy No. 25169 bearing an earlier Effective Date.

CERTIFICATE NUMBER: 74AD289024

EFFECTIVE DATE: 07-28-92

MONTHLY PREMIUM: \$8.95

INSURED: ELLIS DEWAYNE MARR

FAMILY COVERAGE: YES

SCHEDULE OF INSURANCE

PRINCIPAL SUMS FOR LOSS UNDER:	INSURED	OPTIONAL COVERAGE	
		SPOUSE	EACH CHILD
PART I COMMON CARRIER	\$250,000	\$100,000	\$20,000
PART II PRIVATE PASSENGER AUTOMOBILE AND LAND MOTOR VEHICLE ACCIDENTS	\$150,000	\$70,000	\$20,000

TABLE OF CONTENTS

	Page		Page
Right to Examine Certificate	1	Renewal	5
Certificate Schedule.....	2	Beneficiary.....	5
Definitions	3	Continuation of Coverage.....	6
When Insurance Begins	3	Conversion	6
Coverage	4	Newborn.....	6
Exclusions.....	5	General Provisions.....	7

DEFINITIONS

INSURED (herein called "you," "your," or "yours") means you, the Insured named on the Schedule Page.

COVERED PERSON means you and the following persons, provided coverage has become effective:

1. your spouse; and
2. each of your children (including step-children and those born to or legally adopted or during any waiting period prior to the finalization of proposed adoption by either you or your spouse) not more than 19 years of age, unmarried and dependent upon you for support and maintenance; and
3. your unmarried child more than 19 years of age but less than 23 years of age if the child is:
 - a. a full-time student; and
 - b. dependent upon you for support and maintenance.

INTOXICATED means that which is determined and defined by the laws and jurisdiction of that geographical area where the Loss or cause of Loss was incurred.

INJURY means bodily injury caused by an accident occurring while the insurance is in force resulting:

1. directly and independently of all other causes; and
2. within 365 days after the date of the accident. Loss commencing more than 365 days after the date of the accident will be considered a sickness.

LOSS means loss of life.

OCCUPYING means in direct physical contact with the vehicle at the time of the accident.

PRIVATE PASSENGER AUTOMOBILE means a four wheel automobile which is not licensed to carry passengers for hire and which is of the pleasure, station wagon, van, jeep, or truck type with a factory rating load capacity of 2,000 pounds or less. Also included are all self-propelled motor home type vehicles of four wheels or more and recreational vehicles.

LAND MOTOR VEHICLE includes any gasoline, diesel, or similarly powered vehicle customarily used for transportation on land and for which the operator is normally licensed. This category includes, but is not limited to those vehicles considered "Private Passenger Automobiles" by this Certificate. Also included are two-wheeled vehicles (motorcycles, motorscooters) and vehicles with more than four wheels (tractor/trailer rigs, flat bed trucks). Farm equipment, unless specifically designed and primarily used for transportation, is excluded.

WHEN YOUR INSURANCE BEGINS

You shall not have coverage unless an enrollment form and premium have been received by us. Your coverage will become effective on the Certificate Effective Date shown on the Schedule Page provided we receive the initial premium within 21 days of the Certificate Effective Date and while you are alive. Certificate Anniversaries shall be measured annually from the Certificate Effective Date.

EXCLUSIONS

No benefit shall be paid for any Loss, fatal or not, caused by or resulting from:

1. intentionally self-inflicted Injury while sane or insane;
2. a war or act of war, whether declared or not;
3. the use or taking of any narcotic, barbiturate or any other drug by the Covered Person unless taken or used as prescribed by a physician;
4. an Injury occurring while the Covered Person is intoxicated;
5. an Injury while the Covered Person is acting as a pilot or crew member in any aircraft or while a passenger other than a fare-paying passenger in any aircraft; or
6. sickness except when illness is a result of a bacterial infection at the site of a wound caused by an accidental injury.

RENEWAL CONDITIONS

You may keep this Certificate in force for as long as you live. We do not have the right to:

1. cancel your coverage; or
2. place any restriction on your coverage while it is in force; or
3. refuse a premium paid on or before the date due or within the grace period.

Renewal premiums may not be increased.

When a person is added or dropped, the premium may change for due dates after the change is made. Renewal premiums are due on the first day of each renewal period. Your coverage will expire if the premium is not paid by the end of the grace period.

You may cancel your coverage upon written notice to us.

BENEFICIARY

Unless you specify otherwise, any amount due for Loss of life will be paid as follows:

1. At your death, it will be paid to your spouse if living; otherwise equally to your then living lawful children, if any, (including stepchildren and adopted children); otherwise equally to your then living parents or parent; otherwise to your Estate.
2. At the death of any other Covered Person, it will be paid to you, if living; otherwise, as though it were payable under (1) above.

Any payment made under this section will fully release the Company to the extent of the payment. The beneficiaries designated may be changed in accordance with the Change of Beneficiary Provision subject to the Community Property laws in your State.

CONTINUATION OF COVERAGE

In the event of your death, your covered spouse, if any shall be deemed the insured.

Coverage for any child insured under this Certificate shall terminate as of the next renewal date after the child's marriage. You must write to notify us of a child's marriage.

Coverage for any dependent child insured under this Certificate shall terminate as of the next renewal date after the child's 23rd birthday. Such a child may continue to be covered if upon reaching the limiting age the child is and continues thereafter to be both:

1. incapable of self-sustaining employment by reason of mental retardation or physical handicap; and
2. chiefly dependent upon you for support and maintenance.

We may inquire up to two months prior to the attainment by a dependent of the limiting age as to whether such dependent is a disabled and dependent person. If in fact the person is disabled and dependent upon you, you must submit proof of such incapacity within 31 days of our inquiry for coverage to continue (except for residents of Arkansas). If you do not provide the required proof, coverage may terminate for such dependent person as provided by this Policy. In the absence of our inquiry, coverage for any disabled and dependent person shall continue through the term of this policy or any extension or renewal.

CONVERSION

The covered child or spouse whose coverage ceases may apply for his or her own Certificate within 31 days after coverage ceases. No evidence of insurability will be required. The new Certificate will be issued:

1. on our form at that time with benefits most like but not greater than those of the Certificate; and
2. at the adult rate for the attained age of the person at that time.

We will not pay under the new Certificate for any injury or sickness for which we pay benefits under this Certificate.

NEWBORN CHILDREN

A child born to you while your Certificate is in force will be covered from the time of birth. You must write and tell us of the birth of a child.

If any children are already covered under this Certificate the benefit amount will be the same as for other children. If no other child is covered under this Certificate the benefit will be the amount which would have been issued to children as of the Effective Date of the Certificate.

There may be an increase in the Certificate premium as of the next renewal due date after the child's birth. The child is covered free until that due date. The child will be dropped from coverage if the increased premium is not paid within 31 days after that due date.

EXHIBIT "B"

DEFINITIONS

INSURED (herein called "you," "your," or "yours") means you, the Insured named on the Schedule Page, provided coverage has become effective.

COVERED PERSON means you and the following persons, provided coverage has become effective:

1. your spouse; and
2. each of your children (including step-children, children born to you or legally adopted by you, children in the waiting period prior to finalization of proposed adoption by either you or your spouse) 18 years of age or younger, unmarried and dependent upon you for support and maintenance; and
3. your unmarried child 19 years of age but less than 23 years of age if the child is:
 - a. a full-time student; and
 - b. dependent upon you for support and maintenance.

HOSPITAL means an institution which meets the following requirements:

1. It is operated pursuant to law; and
2. It is primarily engaged in providing or operating either on its premises or in facilities available to the Hospital on a prearranged basis and under supervision of a staff of one or more duly licensed Physicians, medical, diagnostic, and major surgery facilities for medical care and treatment of sick and injured persons on an inpatient basis; and
3. It provides 24 hour nursing service by or under the supervision of registered graduate professional nurses (R.N.'s).

HOSPITAL does not include an institution operated primarily as:

1. convalescent home, convalescent, rest, or nursing facility; or
2. facility primarily affording custodial or educational care; or
3. facility for the aged, drug addicts, or alcoholics.

HOSPITAL also does not include that part of an institution operated primarily as:

1. a convalescent home, convalescent, rest, or nursing facility; or
2. a facility primarily affording custodial or educational care; or
3. a facility for the aged.

HOSPITAL CONFINEMENT/CONFINEMENT/CONFINED means being an inpatient in a Hospital for the necessary care and treatment of an injury. Such confinement must be prescribed by a Physician.

Confinement does not include outpatient care and treatment, including outpatient surgery or outpatient observation received in a Hospital.

PHYSICIAN means a person who is duly licensed and legally qualified to diagnose and treat sickness and injuries. Such person must be providing services within the scope of his or her license. A Physician may not be you or a person in your immediate family.

INJURY means bodily injury caused by an accident occurring while the insurance is in force resulting directly and independently of all other causes.

NECESSARY TREATMENT means medical treatment which is consistent with currently accepted medical practice. Any confinement, operation, treatment, or service not a valid course of treatment recognized by an established medical society in the United States is not considered "Necessary Treatment." No treatment or service or expense in connection therewith, which is experimental in nature, is considered "Necessary Treatment."

We may use Peer Review Organizations or other professional medical opinions to determine if health care services are:

1. medically necessary; and
2. consistent with professionally recognized standards of care with respect to quality, frequency, and duration; and
3. provided in the most economical and medically appropriate site for treatment.

If services do not meet these criteria, expenses related to those services will not be deemed "Necessary Treatment."

WHEN YOUR INSURANCE BEGINS

You shall not have coverage unless an enrollment form, if required, and premium have been received by us. Your coverage will become effective on the Certificate Effective Date shown on the Schedule Page provided we receive the initial premium within 21 days of the Certificate Effective Date and while you are alive. Certificate Anniversaries shall be measured annually from the Certificate Effective Date.

WHEN YOUR INSURANCE ENDS

Your insurance ends on the last day of the period covered by your last premium contribution.

COVERAGE

A. ACCIDENTAL DAILY HOSPITAL CONFINEMENT BENEFIT - We will pay the Daily Hospital Confinement Benefit stated on the Schedule Page for each day of Confinement due to a covered Injury, beginning with the first day of Confinement. A Covered Person must be under the professional care of a Physician, and such Confinement must begin within 90 days of the accident causing the Injury.

Recurrent Confinements - To be covered, additional confinements for the same Injury must take place within 90 days of a previous confinement.

B. ACCIDENTAL DEATH BENEFIT - We will pay to the beneficiary the Accidental Death Benefit shown on the Schedule Page upon receipt at our Administrative Office of due proof that a Covered Person's death resulted directly and independently of all other causes from accidental bodily Injury and such death occurred within 90 days following the date of the accident which caused such Injury.

EXCLUSIONS

No benefit shall be paid for loss or Injury that:

1. is intentionally self-inflicted, while sane or insane;
2. is due to a war or act of war, whether declared or not;
3. occurs while the Covered Person is using or taking any narcotic, barbiturate or any other drug unless taken or used as prescribed by a Physician;
4. occurs while the Covered Person's blood alcohol level is .10 percent weight by volume or higher;
5. occurs while the Covered Person is acting as a pilot, crew member, or passenger, other than a fare-paying passenger, in any aircraft;
6. occurs while the Covered Person is committing or attempting to commit an assault or felony; or
7. is due to disease, bodily or mental infirmity, or medical or surgical treatment of these.

RENEWAL CONDITIONS

You may keep this Certificate in force for as long as you live. We do not have the right to:

1. cancel your coverage; or
2. place any restriction on your coverage while it is in force; or
3. refuse a premium paid on or before the date due or within the Grace Period.

Renewal premiums may not be increased.

When a person is added to or dropped from coverage, the premium amount due as of the next premium due date may be adjusted to reflect the change in coverage. Renewal premiums are due on the first day of each renewal period. Your coverage will expire if the premium is not paid by the end of the Grace Period.

You may cancel your coverage upon notice to us. Notice is deemed to be due or given when made in writing, communicated verbally by telephone or in person, or by any other means acceptable to the Company.

BENEFICIARY

All benefits are payable to you, if living. Unless you specify otherwise, any other benefit due for loss of life will be paid as follows:

1. At your death, it will be paid to your spouse if living; otherwise equally to your then living lawful children, if any, (including stepchildren and adopted children); otherwise equally to your then living parents or parent; otherwise to your Estate.
2. At the death of any other Covered Person, it will be paid to you, if living; otherwise, as though it were payable under (1) above.

Any payment made under this section will fully release the Company to the extent of the payment. The beneficiaries designated may be changed in accordance with the Change of Beneficiary Provision, subject to the community property laws in your state of residence.

CONTINUATION OF COVERAGE

In the event of your death, your covered spouse, if any, shall be deemed the Insured. Otherwise the coverage will terminate on the next renewal date. If your spouse ceases to be your spouse for reasons other than your death, your spouse will no longer be covered as of the next monthly renewal date.

Coverage for any dependent child insured under this Certificate shall terminate as of the next renewal date after the child's marriage or 19th birthday.

A child may continue to be covered if upon reaching age 19 the child is, and continues thereafter to be, both:

1. incapable of self-sustaining employment by reason of mental retardation or physical handicap; and
2. chiefly dependent upon you for support and maintenance.

You must write and tell us a child meets the above requirements for continuation of coverage. We may require periodic proof of continued eligibility for continuation of coverage.

CONVERSION

The covered child or spouse whose coverage ceases may apply for his or her own Certificate within 31 days after coverage ceases. No evidence of insurability will be required. The new Certificate will be issued:

1. on our form at that time with benefits most like but not greater than those of the Certificate; and
2. at the adult rate for the attained age of the person at that time.

The Effective Date of coverage under the new Certificate will be the same as the Effective Date of coverage under this Certificate. We will not pay under the new Certificate for any loss for which benefits have been paid under this Certificate.

NEWBORN CHILDREN

A child born to you while your Certificate is in force will be covered from the time of birth. You must write and tell us of the birth of a child.

If any children are already covered under this Certificate, the benefit amount will be the same as for other children. If no other child is covered under this Certificate, the benefit will be the amount which would have been issued to children as of the Effective Date of this Certificate.

GENERAL PROVISIONS**ENTIRE CONTRACT**

Your Certificate is furnished in accordance with and subject to the terms of the Policy. It is not part of the Policy but evidence of the insurance provided under the Policy. The Policy and any attachments are the entire contract of insurance. No agent may change or waive any provisions of the Policy under which this coverage is provided.

CHANGE OF BENEFICIARY

You may change the beneficiary at any time by writing to us at 2700 West Plano Parkway, Plano, Texas 75075 or to the Policyholder. Once we record the change, it will take effect as of the day you signed the request, subject to any claim payment made before such recording. The consent of the beneficiary is not needed for the change unless the beneficiary designation was irrevocable.

PAYMENT OF PREMIUM

All premiums due by the terms of the Policy shall be paid by the Policyholder to our Administrative Office on or prior to the day they are due.

For the first 3 months of coverage, the premium will be paid by the Policyholder.

You are required to contribute 100 percent of the premium payable under your Certificate after the first 3 months. If at any time the Policyholder refuses to accept such contributions and pay the premium for you, you may pay such premium directly to our Administrative Office on or prior to the day it is due.

JCPENNEY LIFE INSURANCE COMPANY

SCHEDULE PAGE

This Schedule Page is part of your Certificate. It supersedes any Schedule Page issued under Master Policy No. 25451 GC313 bearing an earlier Effective Date.

CERTIFICATE NUMBER: 74AB0U5247

EFFECTIVE DATE: 03-13-97

MONTHLY PREMIUM: \$12.20

INSURED: ELLIS D MARR

FAMILY COVERAGE: YES

PREMIUM CONTRIBUTION: 100% AFTER THE FIRST 3 MONTHS

SCHEDULE OF INSURANCE

BENEFIT	AMOUNT		
	INSURED	SPOUSE	CHILD
A. ACCIDENTAL DAILY HOSPITAL CONFINEMENT BENEFIT	\$200.00 PER DAY	\$200.00 PER DAY	\$200.00 PER DAY
B. ACCIDENTAL DEATH BENEFIT	\$50,000	\$50,000	\$5,000

DEFINITIONS

INSURED (herein called "you," "your," or "yours") means you, the Insured named on the Schedule Page, provided coverage has become effective.

COVERED PERSON means you and the following persons, provided coverage has become effective:

1. your spouse; and
2. each of your children (including step-children, children born to you or legally adopted by you, children in the waiting period prior to finalization of proposed adoption by either you or your spouse) 18 years of age or younger, unmarried and dependent upon you for support and maintenance; and
3. your unmarried child 19 years of age but less than 23 years of age if the child is:
 - a. a full-time student; and
 - b. dependent upon you for support and maintenance.

HOSPITAL means an institution which meets the following requirements:

1. It is operated pursuant to law; and
2. It is primarily engaged in providing or operating either on its premises or in facilities available to the Hospital on a prearranged basis and under supervision of a staff of one or more duly licensed Physicians, medical, diagnostic, and major surgery facilities for medical care and treatment of sick and injured persons on an inpatient basis; and
3. It provides 24 hour nursing service by or under the supervision of registered graduate professional nurses (R.N.'s).

HOSPITAL does not include an institution operated primarily as:

1. convalescent home, convalescent, rest, or nursing facility; or
2. facility primarily affording custodial or educational care; or
3. facility for the aged, drug addicts, or alcoholics.

HOSPITAL also does not include that part of an institution operated primarily as:

1. a convalescent home, convalescent, rest, or nursing facility; or
2. a facility primarily affording custodial or educational care; or
3. a facility for the aged.

HOSPITAL CONFINEMENT/CONFINEMENT/CONFINED means being an inpatient in a Hospital for the necessary care and treatment of an injury. Such confinement must be prescribed by a Physician.

Confinement does not include outpatient care and treatment, including outpatient surgery or outpatient observation received in a Hospital.

PHYSICIAN means a person who is duly licensed and legally qualified to diagnose and treat sickness and injuries. Such person must be providing services within the scope of his or her license. A Physician may not be you or a person in your immediate family.

INJURY means bodily injury caused by an accident occurring while the insurance is in force resulting directly and independently of all other causes.

NECESSARY TREATMENT means medical treatment which is consistent with currently accepted medical practice. Any confinement, operation, treatment, or service not a valid course of treatment recognized by an established medical society in the United States is not considered "Necessary Treatment." No treatment or service or expense in connection therewith, which is experimental in nature, is considered "Necessary Treatment."

We may use Peer Review Organizations or other professional medical opinions to determine if health care services are:

1. medically necessary; and
2. consistent with professionally recognized standards of care with respect to quality, frequency, and duration; and
3. provided in the most economical and medically appropriate site for treatment.

If services do not meet these criteria, expenses related to those services will not be deemed "Necessary Treatment."

GRACE PERIOD

If a premium is not paid when due, the insurance shall be in default. We will allow a 31 day Grace Period to pay each premium after the first one. If a premium is not paid on or before the end of the Grace Period, the insurance shall terminate.

REINSTATEMENT

Your Certificate will lapse if you do not pay your premium before the end of the Grace Period. If we later accept a premium and do not require an application for reinstatement, that payment will put the Certificate back in force. If we require an application for reinstatement, this Certificate will be put back in force when we approve it. If we do not approve it, the Certificate will be put back in force on the 45th day after the date of application for reinstatement, unless we give you prior written notice of its disapproval.

The reinstated Certificate only covers loss due to an injury that is received after the date of reinstatement. In all other respects you and we have the same rights under the Certificate as were in effect before it lapsed, unless special conditions are added in connection with the reinstatement.

NOTICE OF CLAIM

Written Notice of Claim must be given to us within 30 days after loss covered under the Policy occurs or as soon as possible thereafter. You may give the notice or may have someone do it for you. The notice should include your name and Certificate number as shown in the Schedule Page. Notice should be mailed to our Administrative Office at P.O. Box 869090, Plano, Texas 75086-9916.

CLAIM FORMS

When we receive the Notice of Claim, we will send the claimant forms for filing Proof of Loss. If we do not send the forms within 15 days, the claimant can meet the Proof of Loss requirement by providing us with a written statement describing what happened. We must receive this statement within the time given for filing Proof of Loss.

PROOF OF LOSS

Written Proof of Loss must be given to us within 90 days after the date of the loss or as soon as possible. Proof must, however, be furnished no later than one year from the time it is otherwise required, except in the absence of legal capacity.

MISSTATEMENT OF AGE

If the age of a Covered Person has been misstated, all amounts payable shall be in the amount the premiums paid would have bought for the correct age. If, as a result of misstatement, we accept a premium for any period when coverage would not normally have been in effect, then our liability for such period shall be a refund, upon request, of all premiums paid for such period.

TIME OF PAYMENT OF CLAIMS

We will pay all benefits covered by the Policy as soon as we receive proper written Proof of Loss sufficient to determine liability.

PAYMENT OF CLAIMS

Any benefits payable will be paid to you, if living. Loss of life benefits for you are payable in accordance with the beneficiary designation in effect at the time of payment. Unless otherwise specified by you, any amount due for loss of life will be paid as follows:

1. At your death
 - a. to your spouse, if living;
 - b. otherwise, equally to your then living lawful children, if any, including stepchildren and adopted children, if living;
 - c. otherwise, equally to your then living parents or parent;
 - d. otherwise, to your Estate.
2. At the death of any other Covered Person
 - a. to you, if then living;
 - b. otherwise, as though it were payable under (1) above.

Any other benefits unpaid at death may be paid, at our option, either to your beneficiary or Estate.

PHYSICAL EXAM AND AUTOPSY

At our expense, we shall have the right to examine the Covered Person when and as often as is reasonable while a claim is pending. We may also have an autopsy done in case of death where it is not forbidden by law.

LEGAL ACTIONS

No action can be brought to recover on the Policy for at least 60 days after written Proof of Loss has been furnished. No such action shall be brought more than 3 years after the date proof of loss is required.

STONEBRIDGE LIFE INSURANCE COMPANY

2700 West Plano Parkway, Plano, Texas 75075-8200

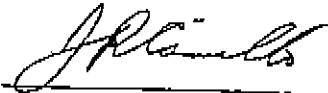
ENDORSEMENT

Stonebridge Life Insurance Company has issued this Endorsement as a part of the Policy, Certificate or Rider to which it is attached. This Endorsement takes effect and expires concurrently with the monthly renewal date of the Policy, Certificate or Rider to which it is attached. This Endorsement is subject to all of the contract provisions that are not in conflict herewith.

Under the heading **EXCLUSIONS** the alcohol exclusion has been deleted and replaced with:
(Injury that) is sustained or contracted in consequence of the Covered Person being Intoxicated;

Under the heading **DEFINITIONS** the following definition has been added or deleted and replaced with:
INTOXICATED means, for purposes of this coverage, having a blood alcohol level of .10 percent weight by volume or higher.

The Stonebridge Life Insurance Company has caused this Endorsement to be signed by its Secretary and its President.



Secretary



President

CERTIFICATION OF VALUE

I, Nicholas H. Rodriguez, Esquire, attorney for Plaintiffs, hereby certify in good faith at this time, in my opinion, that the sum of damages of Plaintiffs is in excess of \$100,000, exclusive of costs and interest.

SCHMITTINGER & RODRIGUEZ, P.A.

BY: 

NICHOLAS H. RODRIGUEZ

Bar Id. # 356

414 South State Street

P.O. Box 497

Dover, Delaware 19901

(302) 674-0140

Attorneys for Plaintiffs

DATED: 3-30-05